

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6003**

**BILL NUMBER:** HB 1274

**NOTE PREPARED:** Oct 26, 2009

**BILL AMENDED:**

**SUBJECT:** Rate Adjustment Mechanisms.

**FIRST AUTHOR:** Rep. Moses

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill provides that not later than two years after the effective date of an order of the Indiana Utility Regulatory Commission (IURC) approving a rate adjustment mechanism for an energy utility, the IURC shall review, and revise as necessary, the utility's basic rates and charges. It requires the IURC to use the procedures governing a general rate case in conducting the review.

**Effective Date:** January 1, 2010 (retroactive).

**Explanation of State Expenditures:** *IURC:* This bill could increase administrative costs of the IURC. The bill requires the IURC to review and revise as necessary, a utility's basic rates and charges, regardless of whether the utility has filed a request for a general increase. The review is to take place not later than two years after the effective date of a rate adjustment mechanism ordered by the IURC. The IURC's current level of resources should be sufficient to cover these reviews.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** IURC.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Diana Agidi, 232-9867.